

4.20 For Independent Public Accountants, completing Agreed-Upon Procedures (Online)


An auditor will attest to the lender's submission once it is submitted for IPA Review. The Agreed Upon Procedures ensure the financial data entered into LASS by the lender is accurate and ties to the lender's hard-copy financial statements.

Step 1: Access a web browser and enter the following url: https://hudapps.hud.gov/HUD_Systems/



The screenshot shows the HUDweb Secure Systems User Login page. On the left is a blue sidebar with the U.S. Dept. of Housing and Urban Development logo and the text "HUDweb Home". The main content area has a red "Secure Systems" header with "HUDweb" below it. Underneath is a "USER LOGIN" section with input fields for "User ID" and "Password", a "Guest" checkbox, and a "Login" button. At the bottom are icons for "Housing HUDweb", "Send Mail", "Help", "Search", "HUDweb Home", and "Back to Top". The footer text reads "Last Modified: May 18, 2001".

Step 2: Enter your assigned User ID and Password.

Step 3: Click the  pushbutton.

Step 4: Click the [Lender Assessment Subsystem](#) (LASS) link.



The screenshot shows the HUDweb 'Secure Systems' page. On the left is a blue sidebar with the U.S. Dept. of Housing and Urban Development logo, a yellow key icon, and a 'Login' link. The main content area has a red 'Secure Systems' header with 'HUDweb' underneath. Below this is a section titled 'Systems' with a bulleted list of links: 'Tenant Rental Assistance Certification System (TRACS)', 'Financial Assessment Subsystem - Multifamily Housing (FASS)', 'Real Estate Management System (REMS)', 'Mark-to-Market (M2M)', and 'Lender Assessment Subsystem (LASS)'. Underneath is a section titled 'System Administration - Guide' with a bulleted link for 'Password Change'. At the bottom are icons for 'Housing HUDweb', 'Send Mail', 'Help', 'Search', 'HUDweb Home', and 'Back to Top'. The page footer indicates it was last modified on September 11, 2000.

Secure Systems
HUDweb

Systems

- [Tenant Rental Assistance Certification System](#) (TRACS)
- [Financial Assessment Subsystem - Multifamily Housing](#) (FASS)
- [Real Estate Management System](#) (REMS)
- [Mark-to-Market](#) (M2M)
- [Lender Assessment Subsystem](#) (LASS)

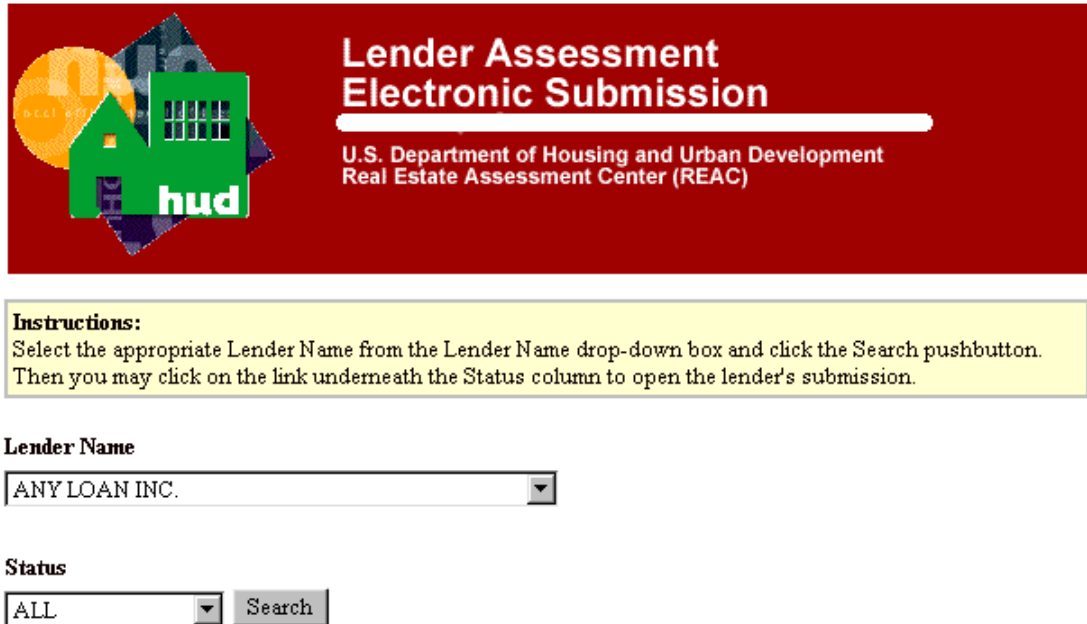
System Administration - [Guide](#)

- [Password Change](#)

Housing HUDweb Send Mail Help Search HUDweb Home Back to Top

Last Modified: September 11, 2000

Step 5: The Inbox is displayed:



Lender Assessment Electronic Submission
U.S. Department of Housing and Urban Development
Real Estate Assessment Center (REAC)

Instructions:
Select the appropriate Lender Name from the Lender Name drop-down box and click the Search pushbutton. Then you may click on the link underneath the Status column to open the lender's submission.

Lender Name
ANY LOAN INC.

Status
ALL Search

Step 6:

Click the Lender Name drop-down box  to select the name of the lender whom you wish to complete the Agreed Upon Procedures.



The Auditor Inbox is populated with all lenders' that are assigned to a given Auditor. When you click the Lender Name drop-down box, all lenders whom you perform Agreed Upon Procedures for should appear.



You may select a status of 'IPA Review' if you are completing the Agreed Upon Procedures or select 'ALL' to retrieve all submissions in the lender's Inbox.

Step 7:

Click the  pushbutton.

Step 8: The Inbox refreshes:

Lender Name

ANY LOAN INC. ▼

Status

ALL ▼ Search

STATUS	LENDER NUMBER	LENDER NAME	PROGRAM TYPE	FISCAL YEAR END	LASS ANALYST
IPA Review	1654100007	ANY LOAN INC.	Title II Loan Correspondent	12/31/2001	Not Assigned

Step 9: Click the [IPA Review](#) status link.

Step 10: The Auditor Decision page appears:



Are you the same auditor that conducted the financial statement audit?

Yes

No

- Step 11:**
- If you are the same audit firm that completed the financial statement audit of the lender, click the **Yes** pushbutton.
 - If you are **NOT** the same audit firm that completed the financial statement audit of the lender, click the **No** pushbutton.



Note 3

Depending on your answer to the above question and whether the lender issued financial statements independent of a parent entity, one of four Auditor Procedures pages will appear.

Step 12: The Auditor Procedures appear in two separate sections:

- Independent Accountant's Report on Applying Agreed Upon Procedures
- Agreed Upon Procedures Line Items

**Note 4**

The Auditor Procedures page displayed below is one of the four potential Auditor Procedures pages. The Auditor Procedures page will be completed in the same manner for all Auditor Procedures schedules.

Step 13: The Auditor Procedures page appears:



[Inbox](#) | [Lender Info](#) | [Financial Data Template](#) | [Data Collection Form](#) | [Notes & Findings](#) | [Submit](#)

[Reports](#) | Auditor Procedures

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURE	
We have performed the procedure described in the second paragraph of this report, which was agreed to by <input type="text"/> (the "lender") and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain	

Partial Template Displayed

6	Corrective Action Plan (data element G5300-020)	Corrective Action Plan		
UII:*				00010
Firm Name:*				E
Employer Identification Number:*				520547375
Date:*		<input type="text"/>		
Attesting Practitioner's First Name: *		<input type="text"/>		
Attesting Practitioner's Middle Name:		<input type="text"/>		
Attesting Practitioner's Last Name: *		<input type="text"/>		
Attesting Practitioner's Title:		<input type="text"/>		
Attesting Practitioner's Telephone Number: *		<input type="text"/> - <input type="text"/> - <input type="text"/>		
Attesting Practitioner's Fax Number:		<input type="text"/> - <input type="text"/> - <input type="text"/>		
Attesting Practitioner's E-mail Address:		<input type="text"/>		
* Required items				

[Complete](#)

[Top of Page](#)

[Inbox](#) | [Lender Info](#) | [Financial Data Template](#) | [Data Collection Form](#) | [Notes & Findings](#) | [Submit](#)

[Reports](#) | Auditor Procedures

Step 14: To review the financial data, click the [Reports](#) link at the top of the page.

Step 15: The External Reports Selection page appears.



[Inbox](#) | [Lender Info](#) | [Financial Data Template](#) | [Data Collection Form](#) | [Notes & Findings](#) | [Submit](#)

Reports


Click the link for the report you wish to display:

[Top-Level Financial Statements](#)
[Financial Data Template Reports](#)
[Auditor Procedures Report](#)
[Lender History Report](#)

[User Guide and System Documentation](#) | [Technical Assistance Center](#)

Step 16: Click the [Financial Data Template Reports](#) link to review the lender's financial data.

Step 17: Compare the numbers listed in the Financial Data Template Reports to those of the hard-copy financial statements.

Step 18: Click the back button  in the browser to return to the External Reports Selection page.

Step 19: Click the [Data Collection Form](#) link at the top of the page to review the lender's profile information and financial statement audit information.



Note 5

Be sure to review both the General Information and Financial Statements tabs on the Data Collection Form.

Step 20:

Click the [Notes & Findings](#) link at the top of the page to review the lender's Footnotes, and Audit Findings (if necessary) and/or Action Plan (if necessary).

Step 21:

Click the [Auditor Procedures](#) link at the top or bottom of the page.

Step 22: Type in the appropriate information for each of the textboxes on the Independent Accountant's Report on Applying Agreed Upon Procedures.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURE**

We have performed the procedure described in the second paragraph of this report, which was agreed to by [] (the "lender") and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents. The lender is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below.

We were engaged to perform an audit of the financial statements of the lender as of and for the year ended [], and have issued our reports thereon dated []. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Financial Data Templates (FDT) dated [], was expressed in relation to the basic financial statements of the lender taken as a whole.

A copy of the financial statement package and the FDT, which includes the auditor's reports, is available in its entirety from the lender. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This report is intended solely for the information and use of the lender and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

Step 23: Click the radio button underneath the ‘Agree’ header, if the submission data agrees to the hard-copy financial statements or click the radio button underneath the ‘Does Not Agree’ header if the submission data does not agree with the hard-copy financial statements.

Procedure	UFRS Rule Information	HARD COPY DOCUMENTS	AGREES	DOES NOT AGREE
1	Balance Sheet, Statement of Operations and Changes in Retained Earnings and Statement of Cash Flows, and Computation of Adjusted Net Worth Schedule (data elements 111-1390 under the above listed tabs - "Details" links are included)	Financial Data Template	<input type="radio"/>	<input checked="" type="radio"/>
2	Information about opinion on the financial statements, internal control and supplementary report on FDT (data elements G3000-005 - G3000-040 under the financial statements tab - "Details" links are <u>not</u> included)	Report on Basic Financial Statements, Report on Internal Control, Auditor's supplemental report on FDT	<input type="radio"/>	<input checked="" type="radio"/>
3	Information about opinion on compliance and Type of Material Noncompliance (data elements G3000-070 - G3000-083)	Report on Compliance and Schedule of Findings and Questioned Costs	<input type="radio"/>	<input checked="" type="radio"/>
4	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	<input type="radio"/>	<input checked="" type="radio"/>
5	Audit Findings (data element G5200-010)	Schedule of Findings and Questioned Costs	<input type="radio"/>	<input checked="" type="radio"/>
6	Corrective Action Plan (data element G5300-020)	Corrective Action Plan	<input type="radio"/>	<input checked="" type="radio"/>

Step 24: If you selected that you are not the same auditor as the financial statement auditor, proceed to **Step 25**.

If you selected proceed to **Step 28**.

Step 25: Enter your firm's UII Number.

UII:*	<input type="text"/>	<input type="button" value="Search"/>	<input type="text"/>
-------	----------------------	---------------------------------------	----------------------



Note 6

The UII is a mandatory field. If you do not know your UII, please contact the HUD Technical Assistance Center at 1-888-245-4860.

Step 26: Click the pushbutton to the left of the UII Number textbox.

Step 27: The Auditor profile information will be populated including the following line items:

UII:*	00100
Firm Name:*	ABC Company
Employer Identification Number:*	132684524

Step 28: Enter the appropriate data into each of the textboxes below the Agreed Upon Procedures line items.

Date:*	<input type="text"/>
Attesting Practitioner's First Name: *	<input type="text"/>
Attesting Practitioner's Middle Name:	<input type="text"/>
Attesting Practitioner's Last Name: *	<input type="text"/>
Attesting Practitioner's Title:	<input type="text"/>
Attesting Practitioner's Telephone Number: *	<input type="text"/> - <input type="text"/> - <input type="text"/>
Attesting Practitioner's Fax Number:	<input type="text"/> - <input type="text"/> - <input type="text"/>
Attesting Practitioner's E-mail Address:	<input type="text"/>



Note 7

Be sure to print the completed Auditor Procedures before clicking the Complete pushbutton.

Step 29: Click the **Complete** pushbutton to submit the Auditor Procedures.

Step 30: If you selected 'Agree' for all line items, the following message will appear:



[Inbox](#)

Action Required!

You have Agreed with your lender's submission. Please contact your lender so that they submit their financial information to HUD.

If you selected 'Does Not Agree' for one or more line items, the following message will appear:



[Inbox](#)

Action Required!

You have Disagreed with your lender's submission. Please contact your lender so that they correct the necessary items and can resubmit their financial information for IPA Review.



Note 8

Be sure to contact your lender so they submit their information to HUD.

Step 31: Click the Back to Inbox link [Inbox](#) to complete the Auditor Procedures for another lender. Return to **Step 6**.

**Note 9**

The auditor/lender may retrieve the completed Auditor Procedures Report after the IPA agrees (IPA Agree) or disagrees (IPA Disagree) with the submission data. To access the Auditor Procedures Report, continue with **Step 32**.

Step 32:

From the Inbox, click the Lender Name drop-down box to select the name of the lender for whom you wish to generate an Auditor Procedures Report.


Lender Name

ANY LOAN INC. ▼

Step 33:

Select a status of 'ALL' to retrieve all submissions in the lender's Inbox.

Step 34:

Click the  pushbutton.

Step 35:

Click the status link of the submission that you would like to generate the Auditor Procedures Report for.

Step 36:

The submission will appear in read-only format defaulted to the Balance Sheet.

Step 37:

Click the [Reports](#) link.

Step 38:

The External Reports Selection screen displays.



[Inbox](#) | [Lender Info](#) | [Financial Data Template](#) | [Data Collection Form](#) | [Notes & Findings](#) | [Submit](#)

Reports

Click the link for the report you wish to display:

[Top-Level Financial Statements](#)
[Financial Data Template Reports](#)
[Auditor Procedures Report](#)
[Lender History Report](#)

[User Guide and System Documentation](#) | [Technical Assistance Center](#)

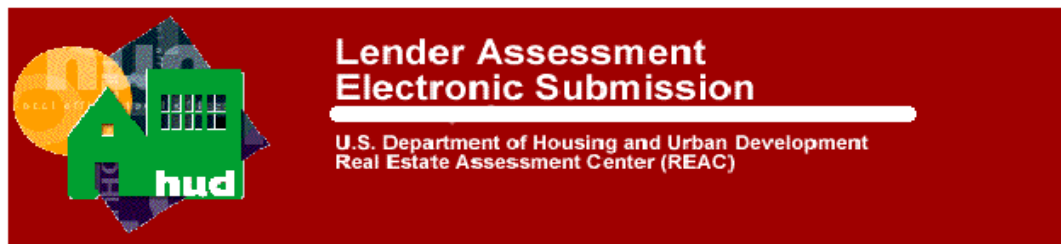
Step 39: Click on the [Auditor Procedures Report](#) link from the Report Selection page.



Note 10

The Auditor Procedures Report provides the lender and auditor with the last set of completed Agreed Upon Procedures. The report highlights whether the auditor agreed or disagreed with the Agreed Upon Procedures for a given submission. This report also allows the auditor to maintain a record of all Agreed Upon Procedures that they complete. One of four Auditor Procedures Reports will display.

Step 40: The Auditor Procedures Report displays. The beginning of the report will resemble the following:



[Back to Report Selection](#)

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURE
<p>We have performed the procedure described in the second paragraph of this report, which was agreed to by ABC Company (the "lender") and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents. The lender is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.</p> <p>We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below.</p> <p>We were engaged to perform an audit of the financial statements of the lender as of and for the year ended 7/31/01, and have issued our reports thereon dated 10/01/01. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Financial Data Templates (FDT) dated 10/01/01, was expressed in relation to the basic financial statements of the lender taken as a whole.</p>



Note 11

In order to print the Auditor Procedures Report, click File from the menu bar and click on Print from the File drop-down.